



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

Replaced by AN 2407 (1955) dated 11-22-91
Prior to issuance

* This AN was replaced by
AN 2407

FmHA AN No. 2405 (1955)

November 14, 1991

SUBJECT: Sale of Farmer Programs Inventory Property to
Applicants Selected Prior to November 28, 1990

TO: State Directors, District Directors, and County
Supervisors

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to outline the steps necessary when selling Farmer Programs inventory property to an applicant selected by the County Committee prior to November 28, 1990. The intent is to meet the requirements of the 1992 Appropriation Act, signed by the President on October 28, 1991, and to ensure consistency in how applicants for these properties will be notified and given an opportunity to continue with the purchase of these properties.

COMPARISON WITH PREVIOUS AN:

No previous AN has been issued on this subject.

IMPLEMENTATION RESPONSIBILITIES:

The County Supervisor must identify those applicants who were selected prior to November 28, 1990, by the County Committee to purchase Farmer Programs inventory properties and did not have a signed sales contract. The following instructions for notification and processing are as follows:

1. For Properties With Selected Applicants and No Appeals:

The County Supervisor will notify all applicants selected by the County Committee by sending the attachment to this AN, certified mail return receipt requested, within 10 calendar days from receipt of this AN to determine if the applicant is still interested in purchasing the property.

These selected applicants will then be given 15 calendar days from the date of receiving the notice to return the notification if they are still interested in purchasing the property. If the selected applicant is still interested and responds accordingly, the sale process will continue under the laws and regulations in effect prior

EXPIRATION DATE: September 30, 1992

FILING INSTRUCTION:
Preceding FmHA
Instruction 1955-C



Farmers Home Administration is an Equal Opportunity Lender.
Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D.C. 20250

to November 28, 1990, except as provided for in this AN. [IF THE COUNTY COMMITTEE DID NOT SELECT AN APPLICANT OR THE SELECTED APPLICANT IS NO LONGER INTERESTED IN PURCHASING THE PROPERTY AND NO APPEALS ARE IN PROCESS, THE PROPERTY WILL BE RETAINED IN INVENTORY AND SOLD IN ACCORDANCE WITH THE REVISED REGULATIONS WHEN IMPLEMENTED.]

2. For Properties With Selected Applicants and Appeals:

In situations involving appeals, both the selected applicant and all appellants will be notified by the National Appeals Staff (NAS) within 10 calendar days from the date of this AN by use of certified mail, return receipt requested. The applicants and appellants will be given 15 calendar days from the date they receive the notice to notify NAS that they are still interested in purchasing the property. NAS will immediately notify the appropriate County Office if any appeals are to be continued.

The appeals will be reactivated at the point in the appeal process where they were suspended as a result of changes required by the Food, Agriculture, Conservation and Trade Act of 1990 (FACT Act). The appeals will be limited to the information being considered at the time the case was stopped. Once the appeal(s) are concluded, the file(s) will be returned to the County Office so that processing of the sale can continue.

3. Processing of Sales and Report Monitoring:

Upon conclusion of appeals, the successful applicant interested in purchasing the inventory farm property must furnish FmHA with updated financial information. Once it is determined that the applicant is still eligible and also desires to continue processing the sale, FmHA will sell the property in accordance with FmHA Instruction 1955-C, Section 1955.107. If the farm property contains highly erodible land, wetlands or other environmentally sensitive areas, restrictions will be placed in the deed to protect these areas. The property will be sold to the successful applicant for its original sales price unless adjustments are necessary because of changes in the level of conservation easements on the property.

If upon review of the updated financial information, FmHA determines that the selected applicant is now ineligible, they will be informed of their appeal rights in accordance with FmHA Instruction 1900-B and given a chance to appeal. If the applicant is not successful in their appeal, FmHA will retain the property in inventory and sell it upon resuming sales of inventory property.

District Directors will provide monthly status reports to the State Director on each property subject to provisions of this AN until the instructions outlined in this AN are implemented. The State Office will provide to the Farmer Programs Loan Servicing and Property Management Division of the National Office, attention: James P.

Fortner, a list of these properties within 14 working days from the date of this AN. An updated list of the properties along with the number of selected applicants and appellants for each property will be submitted within 45 days from the date of this AN.

If you have any questions, please contact James P. Fortner of Farmer Programs Loan Servicing and Property Management Division, at 690-0431.


LA VERNE AUSMAN
Administrator

Attachment

Sent by Time Delay Option to States at 2:00 pm on 11/19/91 to Districts at 4:00 pm on 11/19/91 and Countries at 9:00 am on 11/20/91 on by GSS.

NOTIFICATION OF CONTINUATION OF PROCESSING SALES FOR INVENTORY FARM PROPERTIES

(Borrower's Name and Address)

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Dear (Borrower's Name):

Farmers Home Administration (FmHA) is attempting to sell all Farmer Programs inventory property for which buyers had been selected prior to November 28, 1990. You were selected by the County Committee to purchase the inventory property formerly known as (insert farm name).

If you are still interested in purchasing this inventory property, please notify us within 30 days from receipt of this notification by signing it where indicated below and returning it to the FmHA County Office.

If you are interested in continuing the sales process for this property, FmHA will need to obtain updated financial information from you. You will need to contact the FmHA office to arrange an appointment for this purpose.

If you decide not to continue processing the sale or we do not hear from you within 30 days from the date you receive this notice, we will assume you are no longer interested in purchasing this property.

Sincerely,

(County Supervisor's Name)
COUNTY SUPERVISOR

Applicant's Response

I am still interested in purchasing the farm inventory property known as the (farm name).

Please continue the sale process.

(Borrower's signature)

(Date)